



March 14, 2008

The Honorable Sam Johnson
1211 Longworth HOB
Washington, D.C. 20515

Dear Congressman Johnson,

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy group, I am writing to express our strong support for H.R. 5515, the "New Employee Verification Act of 2008." This legislation takes into account concerns small business owners have with illegal immigration by creating an electronic employment eligibility verification system (EEVS) that seeks to balance increased enforcement objectives while limiting the regulatory burdens placed on smaller businesses.

Immigration enforcement is a federal responsibility, and small-business owners believe that Congress needs to fulfill its obligation to provide a workable nation-wide employee verification system. Many states are working to enact their own enforcement measures, and if Congress does not act, the resulting impact will be chaotic as small business owners would face a complex and confusing set of enforcement policies. We commend you for recognizing that a failure to act by Congress may well result in 50 state and local governments enacting their own immigration enforcement measures.

Like most Americans, small-business owners are troubled by the problem of illegal immigration. According to recent NFIB Research Foundation polls:

- Over 90 percent of NFIB members believe that illegal immigration is a serious problem;
- 86 percent say that finding a solution should be a "very high" or "high" priority for Congress and the administration.
- 73 percent of NFIB members agreed that employers should be required to use a government-run verification system;
- and 83 percent stated that employers who knowingly hire illegal immigrants should be subject to fines or other penalties.
- Furthermore, they believe that an automated system to identify eligible workers would help ease I-9 burdens.

NFIB believes that in order for an immigration reform effort to be successful, the requirements and enforcement provisions must be workable, efficient and fair for small businesses. As such, NFIB supports an EEVS that takes into account the size of an employer in its fee structure, includes a reasonable limit on small-business penalties and reduces such penalties on first-time offenders, prohibits penalties for good-faith violations, protects employers from liability if incorrect information on a worker is given by the EEVS, reduces paperwork burdens, and contains an appropriate phase-in time of the new EEVS system. The "New Employee Verification Act of 2008" addresses these small-business concerns and is consistent with the beliefs of our members.

NFIB is pleased that H.R. 5515 mitigates fines for smaller businesses, but advocate a 50, rather than 25 employee small business threshold. We also appreciate that the bill creates an alternate, voluntary Secure Electronic Verification System (SEEVs) that employers can opt to participate in to receive further liability protection. Additionally, NFIB applauds the protection and legal certainty this bill provides employers that hire subcontractors. Small business owners are always concerned about how government regulations will burden them, and we applaud the inclusion of a toll free call-in number for verification purposes.

As Congress begins consideration of the "New Employee Verification Act of 2008," we are eager to work with you to ensure that America's small businesses are not unduly burdened, unfairly scrutinized, or otherwise affected by any unintended consequences resulting from the implementation of a nation-wide employee verification system. NFIB is hopeful that during consideration of the bill, further legal certainty will clarify the liability held by small employers when new hires contest verification. Also, H.R. 5515 would require that employers notify the employee of the EEVS response within 3 days of receiving the system response. NFIB is concerned that small businesses might encounter difficulty complying with this short 3-day timeframe. Few NFIB members employ a dedicated HR professional to handle employment matters. Consequently, responsibility for employment verification under the current Form I-9 system generally falls to the owner, office manager or owner's spouse. NFIB supports an increased timeframe because these individuals are often focused on non-employment matters raising concern that there could be an understandable delay in notifying the employee.

Small business owners feel strongly about creating a workable employee verification system, and we endorse your legislation. Thank you for your strong support of small businesses, and we appreciate your leadership on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Danner", with a long, sweeping horizontal line extending to the right.

Dan Danner
Executive Vice President
Public Policy and Political